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# Message Text

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PAGE 01 LOUREN 00712 161222Z

43
ACTION TRSE-00

INFO OCT-01 AF-10 ISO-00 EB-11 COME-00 CIAE-00 INR-10

NSAE-00 RSC-01 DRC-01 /034 W
---------- 116683
R 161151Z OCT 73
FM AMCONSUL LOURENCO MARQUES
TO SECSTATE WASHDC 2167

UNCLAS LOURENCO MARQUES 0712

E.O. 11652: N/A
TAGS: EFIN, MZ
SUBJ: WITHHOLDING TAX ON DIVIDENDS

REF: (A) STATE 200104; (B) LOURENCO MARQUES A-153

PROFITS OF US SUBSIDIARIES SUBJECT SAME COPORATE INCOME
TAXES AS OTHER COMPANIES, BUT THERE IS NO ADDITIONAL TAX
ON DIVIDENDS PAID TO SHAREHOLDERS NOT RESIDENT IN MOZAMBIQUE.
THERE IS A TAX OF FIVE PERCENT ON INCOME FROM DIVIDENDS, BUT
IT IS ONLY PAYABLE BY INTITIES WHOSE "EFFECTIVE DIRECTION
OR PRINCIPAL ESTABLISHMENT OR GROUP OF ESTABLISHMENTS" IS
LOCATED IN MOZAMBIQUE. WHILE THERE SEEMS TO BE SOME CON-
FUSION AMONG TAX OFFICIALS AS TO INTERPRETATION OF RELEVANT
SECTION OF LAW (ART.482 OF TAX CODE - COPY SUBMITTED REF. B)
BEST OPINION IS THAT DIVIDENDS TO FOREIGN OWNERS ARE EXEMPT.
SUBSIDIARIES OF FOREIGN COMPANIES WE HAVE QUERIED ON THIS
MATTER CONFIRM THAT NO TAXES ARE IN FACT PAID ON DIVIDENDS
TO THEIR FOREIGN OWNERS.
VAN OSS

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# Message Attributes

**Automatic Decaptioning:** X
**Capture Date:** 01 JAN 1994
**Channel Indicators:** n/a
**Current Classification:** UNCLASSIFIED
**Concepts:** TAX LAW, INCOME TAXES, STOCK DIVIDENDS, SUBSIDIARIES
**Control Number:** n/a
**Copy:** SINGLE
**Draft Date:** 16 OCT 1973
**Decaption Date:** 01 JAN 1960
**Decaption Note:**
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**Disposition Approved on Date:**
**Disposition Authority:** n/a
**Disposition Case Number:** n/a
**Disposition Comment:**
**Disposition Date:** 01 JAN 1960
**Disposition Event:**
**Disposition History:** n/a
**Disposition Reason:**
**Disposition Remarks:**
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**Status:** NATIVE
**Subject:** WITHHOLDING TAX ON DIVIDENDS
**TAGS:** EFIN, MZ, US
**To:** STATE
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